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99th Congress, 2d Session - - - - - - - - - - House Document 99-186

ORIGINAL

MK134

REVISED RESCISSIONS, DEFERRALS AND REVISED DEFERRAL

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION OF TWO REVISED RESCISSION PROPOSALS, TWO NEW DEFERRALS OF BUDGET AUTHORITY AND ONE REVISED DEFERRAL OF BUDGET AUTHORITY, PURSUANT TO 2 U.S.C. 684(a) AND 684(c)

MARCH 20, 1986.—Message and accompanying papers referred to the Committee on Appropriations and ordered to be printed

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To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two revised rescission proposals totaling $54,920,475, two new deferrals of budget authority totaling $2,026,462, and one revised deferral of budget authority totaling $10,238,000.

The rescissions affect programs in Funds Appropriated to the President and in the Department of Energy.

The deferrals affect programs in the Departments of Commerce, Interior, and Transportation.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *March 20, 1986.*

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CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

RESCISSION NO.	ITEM	BUDGET AUTHORITY
	Funds Appropriated to the President	
	Multilateral Economic Assistance	
R86-1A	International organizations and programs.....	39,760
	Department of Energy	
	Energy Programs	
R86-77A	Energy conservation.....	15,160
	Total, rescissions.....	54,920

DEFERRAL NO.	ITEM	BUDGET AUTHORITY
	Department of Commerce	
	Patent and Trademark Office	
D86-65	Salaries and expenses.....	1,977
	Department of the Interior	
	Bureau of Land Management	
D86-66	Payments for proceeds, Sale of Mineral Leasing Act of 1920, Section 40(d).....	49
	Department of Transportation	
	Maritime Administration	
D86-53A	Operations and training.....	10,238
	Total, deferrals.....	12,264

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SUMMARY OF SPECIAL MESSAGES
FOR FY 1986
(in thousands of dollars)

	RESCISSIONS	DEFERRALS
Fifth special message:		
New items	---	2,026
Revisions to previous special messages	5,344	888
Effects of fifth special message	5,344	2,914
Amounts from previous special messages that are changed by this message (changes noted above)	49,576	9,350
Subtotal, rescissions and deferrals	54,920	12,264
Amounts from previous special messages that are not changed by this message	9,957,472	24,708,463
Total amount proposed to date in all special messages	10,012,392	24,720,727

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R86-1A

Supplementary Report

Report Pursuant to Section 1014(c) of Public Law 93-344

This report updates Rescission No. R86-1 transmitted to the Congress on February 5, 1986.

This report revises proposed rescission language for Funds Appropriated to the President International organizations and programs account to specify amounts available by organization. No further changes have been made.

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R86-1A

FUNDS APPROPRIATED TO THE PRESIDENT

Multilateral Economic Assistance

International organizations and programs

*Of the amounts made available under this head in Public Law 99-190, $39,760,475 are rescinded: Provided, that the total amount of funds that remain available after this rescission shall be available only as follows: $109,388,000 for the United Nations Development Program; $36,033,000 for the United Nations Children's Fund; $20,500,000 for the International Atomic Energy Agency; $15,500,000 for the Organization of American States; $6,500,000 for the United Nations Environment Program; $2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; $2,000,000 for the United Nations Capital Development Fund; $900,000 for the United Nations Educational and Training Program for South Africa; $450,000 for the United Nations Voluntary Fund for the Decade for Women; $200,000 for the Convention on the International Trade in Endangered Species; $300,000 for the UNIDO Investment Promotion Service; $1,430,000 for the United Nations Development Program Trust Fund to Combat Poverty and Hunger in Africa; $28,710,000 for the International Fund for Agricultural Development in accordance with the restrictions concerning this organization contained in such Act; and $2,300,000 for the International Convention and Scientific Organization Contributions.

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* Revised from previous report.

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Rescission Proposal No: R86-1A

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

AGENCY:
Funds Appropriated to the President

Bureau:
Multilateral Assistance

Appropriation title and symbol:
International organizations and programs
1161005

OMB identification code:
11-1005-0-1-151

Grant program:
[ ] Yes [X] No

Type of account or fund:
[X] Annual
[ ] Multiple-year _____ (expiration date)
[ ] No-Year

New budget authority.....$247,922,475 1/
(P.L. 99-190)
Other budgetary resources _____

Total budgetary resources 247,922,475

Amount proposed for rescission $ 51,711,475

Legal authority (in addition to sec. 1012):
[ ] Antideficiency Act
[ ] Other_____

Type of budget authority:
[X] Appropriation
[ ] Contract authority
[ ] Other_____

Justification: This account funds voluntary contributions by the United States to selected multilateral developmental, humanitarian, and scientific programs, most of which are associated with the United Nations. A rescission of $51,711,475 is proposed because, useful as some of these programs may be, a higher priority must be afforded other foreign assistance activities accomplishing the same objectives. The proposed rescission would reduce the 1986 program to the original 1986 request level.

Estimated Program Effect: None

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Outlay Effect (in thousands of dollars):

1986 Outlay Estimate Without Rescission	1986 Outlay Estimate With Rescission	Outlay Savings 1986	1987	1988	1989	1990	1991
326,660	299,831	26,829	12,931	---	---	--	---

1/ Does not include $30,000,000 for the International Fund for Agricultural Development, the availability of which is contingent upon receipt of a budget request by the Congress and the United States entering into an agreement to participate in the second replenishment of the organization.

Note - $11,951,000 of the amount originally withheld for rescission is sequestered pursuant to P.L. 99-177. The current proposed rescission is $39,760,475.

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R86-77A

Supplementary Report

Report Pursuant to Section 1014(c) of Public Law 93-344

This report updates Rescission No. R86-77 transmitted to Congress on March 12, 1986.

This increases by $5,344,000 the previous rescission proposal of $9,816,000 in the Department of Energy's Energy conservation account, resulting in a total rescission proposal of $15,160,000. The additional amount proposed for rescission was provided to subsidize proprietary commercial development of an automobile engine.

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R86-77A

DEPARTMENT OF ENERGY

Energy Programs

Energy conservation

Of the funds made available under this head in Public Law 99-190, $15,160,000 are rescinded.

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Rescission Proposal No: R86-77A

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

Agency: Department of Energy	**New budget authority.....** $ 446,721,492 (P.L. 99-190)
Bureau: Energy Programs	**Other budgetary resources** 23,059,807
Appropriation title and symbol: Energy conservation 1/ 89X0215	**Total budgetary resources** 469,781,299
	Amount proposed for rescission $ 15,160,000*
OMB identification code: 89-0215-0-1-999	**Legal authority** (in addition to sec. 1012): |__| Antideficiency Act
Grant program: |__| Yes |X| No	|__| Other_____
Type of account or fund:	**Type of budget authority:**
|__| Annual	|X| Appropriation
|__| Multiple-year _____ (expiration date)	|__| Contract authority
|X| No-Year	|__| Other_____

Justification: "This account funds a variety of energy conservation research and development activities including buildings and community systems, industry, transportation, and multi-sector research. It also funds assistance to State and local governments for the weatherization of schools, hospitals, and low-income dwellings. The rescission consists of previously deferred construction, development, and demonstration funds that were added by the Congress. The addition of construction projects through legislative action bypasses the normal, and important, peer-review process for such funding. It also is not part of the research program to which the funds were added. The development and demonstration funds were provided to continue a contract that subsidizes proprietary commercial development of an automobile engine. This is not appropriate for public funding. As non-priority activities, these projects are also inconsistent with the Administration's effort to reduce the Federal deficit pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. The President's Budget assumed these funds would be used for other purposes in 1987. The Department of Energy will identify other unobligated balances in order to maintain the 1987 program at the program levels estimated in the President's 1987 Budget.

Estimated Program Effect: None

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Outlay Effect (in thousands of dollars):

1986 Outlay Estimate		Outlay Savings					
Without Rescission	With Rescission	1986	1987	1988	1989	1990	1991
436,818	434,146	2,672	9,543	2,945	---	---	---

* Revised from previous report.

1/ This account is also the subject of a deferral in 1986 (D86-9A) and was the subject of a deferral in 1985 (D85-30B) and a rescission proposal in 1985 (R85-87).

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Deferral No: D85-65

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency: Department of Commerce **Bureau:** Patent and Trademark Office **Appropriation title and symbol:** Salaries and expenses 1/ 13X1006	**New budget authority** (P.L. 99-180) ..... $ 84,700,000 **Other budgetary resources** 137,073,741 **Total budgetary resources** 221,773,741 **Amount to be deferred:** Part of year $ ____ Entire year 1,977,000
OMB identification code: 13-1006-0-1-376 **Grant program:** [ ] Yes [X] No	**Legal authority** (in addition to sec. 1013): [X] Antideficiency Act [ ] Other ____
Type of account or fund: [ ] Annual [ ] Multiple-year ____ (expiration date) [X] No-Year	**Type of budget authority:** [X] Appropriation [ ] Contract authority [ ] Other ____

Justification: The Patent and Trademark Office (PTO) administers laws governing the granting of patents for inventions and the registration of trademarks. The 1986 budget of the PTO includes funding for the compensation costs of 200 new patent examiners hired at the end of fiscal year 1985. Due to increased patent examiner productivity and changing patterns of attritions, it proved unnecessary to fill 25 of the anticipated new examiner positions. The deferred funds in 1986 from the unfilled positions total $1,191,000. The 1986 budget also included funds for the leasing of space to house the central computer equipment of the Automated Patent System. The budget assumed acquisition of the space on October 1, 1985. Delays in construction of the privately-owned office building resulted in a revised acquisition date of July 1, 1986. The deferred funds from the delayed space acquisition total $786,000. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512). Funds will be utilized as needed in 1987.

Estimated Program Effect: Neither the patent pendency reduction program nor the automation program will be adversely affected by the deferral of $1,977,000 of program funds in 1986. The deferred funds are unobligated balances to be brought forward into 1987 and are not excess fee collections.

Outlay Effect: None

1/ This account was the subject of a similar deferral in 1985 (D85-41).

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Deferral No: D86-66

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Department of the Interior	New budget authority..... $ (P.L.)
Bureau: Bureau of Land Management	Other budgetary resources 49,462
Appropriation title and symbol: Payments for Proceeds, Sale of Mineral Leasing Act of 1920, Section 40(d) 1/ 14X5662	Total budgetary resources 49,462
	Amount to be deferred: Part of year $
	Entire year 49,462
OMB identification code: 14-5662-0-2-301	**Legal authority** (In addition to sec. 1013): [X] Antideficiency Act
Grant program: [ ] Yes [X] No	[ ] Other
Type of account or fund:	**Type of budget authority:**
[ ] Annual	[X] Appropriation
[ ] Multiple-year (expiration date)	[ ] Contract authority
[X] No-Year	[ ] Other

Justification: Section 40(d) of the Mineral Leasing Act of 1920 (30 U.S.C. 229(a)) provides that when lessees or operators drilling for oil or gas on public lands strike water, water wells may be developed by the Department from the proceeds from sale of water from existing wells. Receipts have been accruing to this permanent account at the rate of about $3,000 per year. None of these receipts have been obligated over the past 11 years and none are planned for obligation in FY 86 because the total available is too small to be put to practical use for the purpose designated by law. This deferral action is taken pursuant to the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral in 1985 (D85-10).

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D86-53A

Supplementary Report

Report Pursuant to Section 1014(c) of Public Law 93-344

This report updates Deferral No. D86-53 transmitted to the Congress on February 5, 1986.

This increases by $888,000 the previous deferral of $9,350,000 in the Department of Transportation, Maritime Administration Operations and training account, resulting in a total deferral of $10,238,000. This increase is attributed to additional unobligated balances carried over from 1985 for activities proposed for termination.

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Deferral No: D86-53A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Department of Transportation **Bureau:** Maritime Administration **Appropriation title and symbol:** Operations and training 1/ 69X1750	**New budget authority.....** $ 69,700,000 (P.L. 99-180) **Other budgetary resources** 30,250,935* **Total budgetary resources** 99,950,935* **Amount to be deferred:** **Part of year** $_____ **Entire year** 10,238,000*
OMB identification code: 69-1750-0-1-403 **Grant program:** | __ | Yes | X | No	**Legal authority** (in addition to sec. 1013): | __ | Antideficiency Act | __ | Other_____
Type of account or fund: | __ | Annual | __ | Multiple-year _____ (expiration date) | X | No-Year	**Type of budget authority:** | X | Appropriation | __ | Contract authority | __ | Other_____

Justification: *The Operations and training appropriation funds all the administrative expenses and most program expenses of the Maritime Administration. Included are three programs of Federal financial support to state maritime schools: (1) direct payments to the schools, (2) student incentive payments, and (3) maintenance and repair of training ships.

Operations and training has unobligated balances that are no longer needed for the originally intended purposes of (1) replacing the training vessel for the State University of New York Maritime College ($8,500,000), (2) fuel for operating training vessels at five State maritime schools ($850,000), and (3) additional work on the Massachusetts Maritime Academy training ship Patriot State ($888,000). The $8,500,000 was proposed for deferral and reprogramming in the 1986 Budget on the basis that the existing training vessel for the New York State maritime school is adequate. Congress denied the deferral. The 1987 Budget proposes to discontinue all financial support for State maritime schools, except for honoring student incentive payments already awarded to enrolled students. Accordingly, the $8,500,000 for the replacement training vessel for the New York maritime school is deferred. The necessary supplemental language permitting the use of the $8,500,000 for other purposes in 1987 is pending.

The $850,000 is left over from $3,000,000 of fuel funds added by Congress in 1984. In that year, the State maritime schools consumed only $2,150,000 of their fuel allotment and the residual $850,000 has not been obligated since.

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In response to the Deficit Reduction Act of 1984, $888,000 was proposed for rescission in 1985. The Congress denied the proposed rescission and directed that these funds be used for additional work on the Massachusetts Maritime Academy training ship Patriot State. These funds were carried over to 1986 as work could not be put in place in 1985. The 1987 Budget proposes that direct Federal financial support for the State maritime schools program be discontinued. The additional work for which these funds were provided is not required for the 1986 training voyage and further investment in this program is not warranted. The deferral will be used to offset 1987 costs of discontinuing the State maritime schools program.

Estimated Program Effect: None

Outlay Effect *(in thousands of dollars):

1986 Outlay Estimate		Outlay Change					
Without Deferral	With Deferral	1986	1987	1988	1989	1990	1991
89,140	79,752	-9,388	9,388	---	---	---	---

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* Revised from previous report.

1/ This account was the subject of a similar deferral (D85-54) and a rescission proposal (R85-193) in 1985.

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